

MT LEGISLATIVE HISTORY

Chapter 208 1989

Bill H _____ (S) 351

Original bill & hist. C

H. Committee on Business & Economic Development

S. Committee on Taxation

Hearing Date(s) Mar 08 ☒ C

Hearing Date(s) Feb 10 ☒ C

Mar 09 ☒ C

Feb 17 ☒ C

 C

 C

 C

 C

Date Out Mar 09 ☒ C

Feb 17 ☒ C

Did this bill originate in an interim committee? Yes No

Committee

Report

MINUTES

MONTANA SENATE 51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Senator Bob Brown, on February 10, 1989,
at 8:00 a.m.

ROLL CALL

Members Present: Chairman Brown, Vice Chairman Hager,
Senator Bishop, Senator Crippen, Senator Eck, Senator
Gage, Senator Halligan, Senator Harp, Senator Mazurek,
Senator Norman, Senator Severson, Senator Walker.

Members Excused: None

Members Absent: None

Staff Present: Jeff Martin, Legislative Council Researcher,
Jill Rohyans, Committee Secretary.

Announcements/Discussion: None

HEARING ON SENATE BILL 351

Presentation and Opening Statement by Sponsor: Senator
Williams, District 15, sponsor of the bill, said it
generally revises the Montana Capital Company Act. He
further explained the bill by reading the first two
paragraphs of attached Exhibit 1.

List of Testifying Proponents and What Group they Represent:

Mike Parker, Great Falls Capital Corporation
Robert Pancich, Montana Board of Investments

List of Testifying Opponents and What Group They Represent:

Ken Nordtvedt, Director, Department of Revenue

Testimony:

Mike Parker, Great Falls Capital Corporation, presented his
testimony to the committee (Exhibit 1) and presented
proposed minor technical amendments to the title.
(Exhibit 2).

Robert Pancich, representing the Montana Board of

Investments and Manager of the Montana Capital Company Act, presented a list of Montana Capital Companies and the Montana Capital company quarterly report to the committee (Exhibits 3 and 4). He said he concurs with the amendments which clarify investments in Montana. He said there is no intent to require the removal of the requirement for investment in Montana. He said it may seem confusing, citing language in the bill: Title, lines 13 and 14 and on page 11, line 12 and line 16. However, new language on page 8, section 5, and definitions of qualified investments on pages 2 and 3 clarify the situation regarding investments outside of Montana versus Montana business. He referred the committee to the comparison figures in Exhibit 4.

There were no further proponents.

Opponents

Ken Nordtvedt, Director, Department of Revenue, expressed several concerns with the bill. He said he did not oppose the bill in general, but rather opposed the fundamental issue of extension of the capital corporations. The analysis of the Department of Revenue was that it would remove the requirement for in-state investments by striking "Montana" on page 11. It allows for the sale of debentures from the in-state investment fund and removes the requirement for in-state investment of the retained earnings, which seems to be a move away from the intent of the original massive tax credits granted under this program. There was also concern about what is being granted in terms of voluntary decertification. Mr. Nordtvedt said his concerns arise from the possibility of moving the investments away from the initial purpose of stimulating venture capital in the state.

Questions From Committee Members: Senator Mazurek asked Mr. Parker to respond to Mr. Nordtvedt's comments.

Mr. Parker said it is possible now to make investments out of state. The requirement is that the investment results in economic benefit for the state of Montana. The definition of what is a qualified investment precedes the language on page 11, and striking the language merely returns the bill to compliance with the original definition.

Senator Mazurek said the term "Montana business" is a specifically defined term and by striking "Montana", you are not referring back to a specifically defined term. He wondered how critical that was.

Mr. Parker said it is covered in the language on page 3, lines 24 through line 2 on page 4.

Senator Norman expressed concern about where retained earnings can be invested.

Mr. Parker replied the original legislation did not provide for reinvestment of retained earnings. It was added late last session. Requiring retained earnings to be reinvested traps them within the business and makes it difficult to pay dividends and extremely difficult to liquidate a partnership or corporation.

Senator Crippen said the basic reason for this is to stimulate business. If earnings are retained within the company and are not reinvested, how are you going to stimulate the economy.

Mr. Nordtvedt said the issue is not whether retained earnings can be reinvested, but rather that they are reinvested in Montana as opposed to out-of-state.

Senator Crippen felt an out-of-state investment provision is crucial to attracting new business to and investment in Montana. If companies are not allowed that privilege, they will not be attracted to locate here or invest in Montana corporations who are so restricted.

Closing by Sponsor: There being no further discussion, Senator Williams closed.

HEARING ON HOUSE BILL 371

Presentation and Opening Statement by Sponsor:

Representative Pavlovich, District 70, sponsor, said the bill increases the redemption period on certain properties from 18 to 24 months and provides a July 1, 1989 effective date.

List of Testifying Proponents and What Group they Represent:

Martha McGee, Lewis and Clark County Treasurer
The Revenue Oversight Committee

List of Testifying Opponents and What Group They Represent:

None

Testimony:

TAXATION

COMMITTEE

50~~5~~th LEGISLATIVE SESSION -- 1989Date 2/10/89

NAME	PRESENT	ABSENT	EXCUSED
SENATOR BROWN	X		
SENATOR BISHOP			
SENATOR CRIPPEN	X		
SENATOR ECK	X		
SENATOR GAGE	X		
SENATOR HAGER	X		
SENATOR HALLIGAN	X		
SENATOR HARP	X		
SENATOR MAZUREK	X		
SENATOR NORMAN	X		
SENATOR SEVERSON	X		
SENATOR WALKER			

Each day attach to minutes.

MONTANA CAPITAL COMPANY ACT
BRIEF SYNOPSIS

In order to promote the concentration of money in venture and development capital funds, the 1985 and 1987 legislatures passed the Montana Capital Company Act which provided for investment tax credits, originally at a rate of 25% and later at a rate of 50% for investors in such funds. The law limits credits to \$150,000 per taxpayer and \$1,500,000 to a fund and requires that a minimum of \$200,000 be raised in order to be certified as a Montana Capital Company. Credits may be used to offset a taxpayers Montana state income tax liability.

The act requires that Capital Company funds be invested in qualified investments : (e.g. manufacturing, transportation, tourism, production & processing of: ag products, mining, timber, fisheries or research & development relative to any of the above. Additionally, any business is a qualified investment if half its revenues come from outside Montana or if half its revenues result from the sale of Montana made products. The act further requires that funds raised pursuant to the Act be 30% invested within 3 years, 50% invested within 4 years and 70% invested within 5 years of the company's certification date.

SB 351 - AN ACT TO AMEND THE MONTANA CAPITAL COMPANY ACT
SUMMARY OF PROVISIONS

CAPITAL COMPANY DEBENTURES

Authorizes but does not obligate the Board of Investments to purchase Mt Capital Company Debentures. Obligates Mt Capital Companies to make qualified investments with debenture proceeds. Clears existing ambiguities.

RETAINED EARNINGS

Current law requires qualified re-investment of Capital Company earnings in perpetuity thus restricting the payment of dividends and precluding liquidation of a Capital Company. This change permits conventional use of retained earnings.

TIME FOR CERTIFICATION

Brings law into conformity with current Board of Investments practice.

CARRY BACK AND CARRY FORWARD OF UNUSED TAX CREDITS

Corrects erroneous Internal Revenue Code reference and codifies, in principle, the I.R.C. carry over provisions.

INVESTMENTS BY TRUSTS AND ESTATES

Broadens the realm of potential Mt Capital Company Investors.

TIME SCHEDULE

Some Mt Capital Companies are and will be funded by multiple 'rounds' of financing, each perhaps years apart. Current law aggregates all 'rounds' for the purpose of determining the 3,4,5 year/30,50,70% investment requirements. This provision allows separate 3,4 & 5 year investment requirements for each round of financing.

EXTENSION TO THE SCHEDULE

Provides for Department of Revenue discretion in the assessment of penalties in cases where reasonable cause for failure to invest on time is evident.

RESTRICTIONS ON THE USE OF FUNDS

Removes extraneous language from existing investment limit provisions.

AUTOMATIC AND VOLUNTARY DECERTIFICATION

New sections provide for automatic decertification in the event a penalty for failure to invest on time is assessed and for voluntary decertification by application to the Department of Revenue by a Capital Company.

DEFINITION OF BOARD

Transfers Mt Capital Company Act administrative responsibility from the Board of Investments to the Mt Science & Technology Alliance.

Amendments to Senate Bill No. 351
Introduced Copy

Requested by Senator Williams

Prepared by Dave Cogley
February 8, 1989

1. Title, line 4.

Strike: "TO GENERALLY REVISE"

Insert: "AMENDING"

2. Title, line 5.

Strike: "PROVIDING FOR THE SALE OF"

Insert: "CLARIFYING THE AUTHORITY TO SELL"

3. Title, lines 13 and 14.

Strike: "REMOVING THE REQUIREMENT FOR INVESTMENT IN A MONTANA
BUSINESS"

Insert: "CLARIFYING RESTRICTIONS ON THE USE OF CAPITAL COMPANY
FUNDS"

MONTANA CAPITAL COMPANIES

Certified and Qualified

Steve Brown
Development Corp. of Montana
P.O. Box 916
Helena, Montana 59624
406/442-3850

Mike Parker
Great Falls Capital Corp.
8 Third Street North
Great Falls, Montana 59401
406/761-7978

Robert G. Mullendore
First Montana Capital Corp.
310 West Spruce
Missoula, Montana 59802
406/721-8300

Conrad Stroebe
Treasure State Capital Ltd. Part.
P.O. Box 194
Billings, Montana 59103
406/248-5678

Evan Barrett
Southwest MT Development Corp.
305 West Mercury
Butte, Montana 59701
406/723-4349

James H. Koessler
KBK Venture Capital Co. of MT
2722 Third Avenue North
Billings, Montana 59101
406/252-4101

Pat Rice
The Glacier Springs Company
1501 Third Street N.W.
Great Falls, Montana 59404
406/727-7500

Thomas P. Kenneally
Montana Progress Capital Ltd.
600 South Main Street
Butte, Montana 59701
406/782-9121

Certified

R.D. "Pete" Bloomer
CVM Montana Venture Fund I, Ltd.
2995 Wilderness Place
Boulder, Colorado 80301
303/440-4055

Bruce Ennis
ECM Alpha Limited Partnership
2720 Third Avenue North
Billings, Montana 59101
406/259-4650

2/10/89

COMMITTEE ON ~~AGRICULTURE, FORESTRY, AND IRRIGATION~~[illegible]

MINUTES

MONTANA SENATE
51st LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Chairman Bob Brown, on February 17, 1989,
at 4:00 p.m.

ROLL CALL

Members Present: Chairman Brown, Vice Chairman Hager,
Senator Bishop, Senator Crippen, Senator Eck, Senator
Gage, Senator Halligan, Senator Harp, Senator Mazurek,
Senator Norman, Senator Severson, Senator Walker

Members Excused: None

Members Absent: None

Staff Present: Jeff Martin, Legislative Council Researcher,
Jill Rohyans, Committee Secretary

Announcements/Discussion: Senator Brown called the
Taxation Committee to order at 4:00 p.m. in the Senate
Cloakroom.

DISPOSITION OF SENATE BILL 351

Discussion: None

Amendments and Votes: Senator Harp moved to amend SB 351 as
per the attached standing committee report (Exhibit 1).
The motion CARRIED unanimously.

Recommendation and Vote: Senator Harp moved SB 351 DO PASS
AS AMENDED. The motion CARRIED unanimously.

51st LEGISLATIVE SESSION -- 1989Date 2/17/89

NAME	PRESENT	ABSENT	EXCUSED
SENATOR BROWN	X		
SENATOR BISHOP	X		
SENATOR CRIPPEN	X		
SENATOR ECK	X		
SENATOR GAGE	X		
SENATOR HAGER	X		
SENATOR HALLIGAN	X		
SENATOR HARP	X		
SENATOR MAZUREK	X		
SENATOR NORMAN	X		
SENATOR SEVERSON	X		
SENATOR WALKER	X		

Each day attach to minutes.

SENATE STANDING COMMITTEE REPORT

February 17, 1989

MR. PRESIDENT:

We, your committee on Taxation, having had under consideration SB 351 (first reading copy -- white), respectfully report that SB 351 be amended and as so amended do pass:

(See attached)

AND AS AMENDED DO PASS

Signed:

B. C. Brown

Bob Brown, Chairman

41.0.18
3/11/89
4:38

Proponent Testimony:

Mr. Lopach said his company supports this bill. The way the PSC determines the rates that utility customers pay, they consider the entire pot of revenues, expenses, and investments related to the regulated business.

Mr. Phillips said Northwestern supports this legislation. This does not require the PSC to accept these advertising expenses. They can consider them and if think appropriate can allow them as an offset.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Sen. Williams said that we all know that advertising stimulates revenues. What we are hoping to do is promote long distance use of the phones.

HEARING ON SENATE BILL 351

Presentation and Opening Statement by Sponsor:

Sen. Williams stated that this bill clarifies the authority to sell debentures to the in-state investment fund; removes retained earnings from a company's capital base; amends the time for certification; amends provisions for carrying back and carrying forward of tax credits; allows investments in capital companies by a trust and a decedent's estate; amends the time schedule for making qualified investments; provides for an extension to the schedule; clarifies restrictions on the use of capital company funds; and provides for automatic decertification in certain cases and for voluntary decertification.

Testifying Proponents and Who They Represent:

Bob Pancich, Board of Investments

Proponent Testimony:

Mr. Pancich stated that they support the bill and concur with the changes and participated in the changes as to clarification.

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: None

Closing by Sponsor: Sen. Williams stated that several companies are in favor of this bill. They are working and trying to get things going in Montana.

HEARING ON SENATE BILL 369

Presentation and Opening Statement by Sponsor:

Sen. Brown said that SB 369 would repeal Sections 23-5-1101 through 23-5-1106, MCA, which authorizes calcutta pools.

Testifying Proponents and Who They Represent:

None

Proponent Testimony:

None

Testifying Opponents and Who They Represent:

None

Opponent Testimony:

None

Questions From Committee Members: Rep. Keller asked Sen. Brown if he was aware that there are different kinds of calcutta pools? Sen. Brown said that Attorney General Greely wrote a ruling of what the interpretation should be of the law to allow the kinds of calcuttas in the state that have always taken place but not allow commercialized calcuttas. Rep. Bachini asked Sen. Brown what kind of calcuttas would be allowed in SB 431? None? Sen. Brown said that SB 431 is designed to restrict the calcuttas to the common kinds of calcuttas.

Rep. DeMars asked Sen. Brown why he wanted to repeal calcuttas? Rep. Holiday's bill did not include the commercialized kind of calcuttas. Now we have them and that is why I want to repeal them.

Closing by Sponsor: Sen. Brown said he closed.

DAILY ROLL CALL

BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date 3 8 89

NAME	PRESENT	ABSENT	EXCUSED
PAVLOVICH, BOB	✓		
DeMARS, GENE	✓		
BACHINI, BOB	✓		
BLOTKAMP, ROB	✓ <i>late</i>		
HANSEN, STELLA JEAN	✓		
JOHNSON, JOHN	✓		
KILPATRICK, TOM	✓		
McCORMICK, LLOYD "MAC"	✓		
STEPPLER, DON	✓ <i>late</i>		
GLASER, BILL	✓		
KELLER, VERNON	✓		
NELSON, THOMAS	✓		
SIMON, BRUCE	✓		
SMITH, CLYDE	✓		
THOMAS, FRED	✓ <i>late</i>		
WALLIN, NORM	✓		
PAUL VERDON	✓		

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MONTANA CAPITAL COMPANY ACT
BRIEF SYNOPSIS

In order to promote the concentration of money in venture and development capital funds, the 1985 and 1987 legislatures passed the Montana Capital Company Act which provided for investment tax credits, originally at a rate of 25% and later at a rate of 50% for investors in such funds. The law limits credits to \$150,000 per taxpayer and \$1,500,000 to a fund and requires that a minimum of \$200,000 be raised in order to be qualified as a Montana Capital Company. Credits may be used to offset a taxpayers Montana state income tax liability.

The Act requires that Capital Company funds be invested in qualified investments : (e.g. manufacturing, transportation, tourism, production & processing of: ag products, mining, timber, fisheries or research & development relative to any of the above.) Additionally, any business is a qualified investment if half its revenues come from outside Montana or if half its revenues result from the sale of Montana made products. The Act further requires that funds raised pursuant to the Act be 30% invested within 3 years, 50% invested within 4 years and 70% invested within 5 years of the company's certification date.

SB 351 - AN ACT TO AMEND THE MONTANA CAPITAL COMPANY ACT
SUMMARY OF PROVISIONS

CAPITAL COMPANY DEBENTURES

Authorizes Capital Companies to issue debentures to the Board of Investments. Obligates Mt Capital Companies to make qualified investments with debenture proceeds. Clears existing ambiguities. NOTE: Authority of Board to purchase Capital Company debentures established by last legislature.

RETAINED EARNINGS

Current law requires qualified re-investment of Capital Company earnings in perpetuity thus restricting the payment of dividends and complicating liquidation of a Capital Company. This change permits conventional use of retained earnings. This requirement was not in the original Act.

TIME FOR CERTIFICATION

Brings law into conformity with current Board of Investments practice.

CARRY BACK AND CARRY FORWARD OF UNUSED TAX CREDITS

Corrects erroneous Internal Revenue Code reference and codifies, in principle, the I.R.C. carry over provisions.

INVESTMENTS BY TRUSTS AND ESTATES

Broadens the realm of potential Mt Capital Company Investors.

SB 351
3/8/89

SENATE BILL 351
AN ACT TO AMEND THE MONTANA CAPITAL COMPANY ACT

SUMMARY OF TESTIMONY
OFFERED BY MIKE PARKER, GREAT FALLS CAPITAL CORPORATION
THE HOUSE BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE
8:00 AM - WEDNESDAY - MARCH 8, 1989

I am representing the interests of the Great Falls Capital Corporation and the Montana Venture and Development Capital Community in General

Vote yes SB 351

Text of bill drafted on a voluntary basis by securities lawyers from the firm of Dorsey & Whitney

Input provided by :

- Existing Capital Companies
- Members of the Montana Venture Capital Network
- Montana Board of Investments
- Other Interested Parties

Broad support of the Montana Venture and Development Capital Community.

All provisions are procedural in nature with the exception of one substantive item relating to reinvestment of retained earnings of Capital Companies.

Fiscal Impact = \$0

Changes are recommended in response to practical difficulties in the operation of Montana Capital Companies and administration of the Montana Capital Company Act.

SB 351 does not change the sense or purpose of the Montana Capital Company Act.

SB 351 is of little direct consequence to anyone except Montana Capital Companies and administrators.

Senator Crippen's SB 283 which will extend the Montana Capital Company Act and provide for additional tax credits appears to have nearly unanimous support, which would imply that Montana Capital Companies will be long term members of the Montana Financial Community. This bill is important to their operation and success.

Thank you

Vote yes SB 351

amount not used the tax- by him
 Mike: Leave existing subsection (3) as is. Add the following sentence:

ent in a na capital edit from

until the d a quali- uthorized;

in accor-

a may not l company na capital

d Montana pplied and nvestments

s for which tified com- und at least hin 3 years e earned; s for which tified com- und at least hin 4 years e earned;

s for which tified com- und at least

70% of its capital base caused by increases in retained earnings within 5 years of the end of the fiscal year during which the retained earnings were earned.

(2) Following each annual examination, the commissioner of financial institutions shall notify the department of revenue of any companies that are not in compliance with this section.

(3) A qualified Montana capital company that fails to make qualified investments pursuant to subsection (1) shall pay to the department of revenue a penalty equal to all of the tax credits allowed to the taxpayers investing in that company during that time period, with interest at 1% a month from the date the tax credits were certified as allocated to the qualified Montana capital company. The department of revenue may abate the penalty if the capital company establishes reasonable cause for the failure to make qualified investments pursuant to subsection (1) and that the failure was not due to neglect on the part of the company. The department of revenue shall deposit any amount received under this subsection to the credit of the state general fund.

History: En. Sec. 7(2)-(4), Ch. 554, L. 1983; amd. Sec. 18, Ch. 554, L. 1983; amd. Sec. 4, Ch. 583, L. 1987.

Compiler's Comments

1987 Amendment: In (1)(a), (1)(b), and (1)(c), after "capital base", inserted "raised through investments for which tax credits were taken"

and after "board" inserted language relating to percentage of capital base increased by retained earnings.

90-8-302. Restriction on investment. No more than 50% of the equity raised by a Montana capital company under this chapter may be invested in any one Montana business, and no more than 25% of the total funds raised for which tax credits were claimed pursuant to the investment credit provisions of this chapter may be invested in any one Montana business.

History: En. Sec. 9, Ch. 554, L. 1983.

90-8-303. Conflict of interest. (1) (a) The members of the board, the commissioner of financial institutions, or a bank examiner may not have a monetary interest in or be a borrower from any Montana capital company, either directly or indirectly.

(b) These restrictions do not prohibit the board, acting as a whole, from purchasing debentures issued by a Montana capital company.

(2) A member of the investment committee of a Montana capital company who has an interest in a venture that comes before the committee for a vote shall disclose such interest and abstain from voting on investment in the venture.

History: En. Sec. 10, Ch. 554, L. 1983; amd. Sec. 18, Ch. 554, L. 1983; amd. Sec. 7, Ch. 124, L. 1987.

Compiler's Comments

1987 Amendment: Inserted (1)(b).

90-8-304. Application of securities law. In lieu of registration under Title 30, chapter 10, a certified Montana capital company may file all disclosure documents, along with a consent to service of process, with the state securities commissioner. The commissioner may not charge a fee for such filing.

History: En. Sec. 14, Ch. 554, L. 1983; amd. Sec. 12, Ch. 272, L. 1987.

Compiler's Comments

1987 Amendment: Near beginning of first sentence inserted "certified" before "Montana" and at end of second sentence deleted "or deposit".

VISITORS' REGISTER

Business

COMMITTEE

18 303

BILL NO. 313 351 369 DATE 3/8/89SPONSOR Williams Thompson
Mazurek Williams BrownPlease put the
bill number thanks

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
GEORGE T. BENNETT	HELENA MONT. BIDS ASSN	SB 313-w/ amend.	
MICHAEL E. MCKEE	HAMILTON MT	313-w/ Amendment	
JOCK ANDERSON	HEL MT	"	
W.R. DAVIS	HELENA MT	303 w/ amend.	
CHIP EDMUND	MT LEAGUE FIN HST	303- 313 w/ Amendments	
Randy Reger	RLG	313 AS IS	
Tom Hopgood	Mont. Assoc. Realtors	303 313	
GENE PHILLIPS	MLTA	SB 303	
GENE PHILLIPS	NTS	SB 18	
Bob Pancich	Board of Investments	SB 351	
Edith M. Harding	Sen. Dist #25	SB 313	
Roger Troy	Helena - Mt Indep Bankers	313 w/ SB L amend	
Camp McPhee	Glendive, MT ^{Legislative aide to Rep John Johnson}	—	—
Brad McPhee	Glendive MT	—	—
Bill Gowen	HELENA	w/ AMENDS	
Dan Levine	Great Falls	With Amendments	
Bob Spangnall	Bil. Mngcs	313	
Joe Harris	MT BANKERS	313	
Charity Conley	Great Falls ^{* as a demand}	313 w/ amendments	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

HOUSE COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT

Call to Order: By Rep. Bob Pavlovich, on March 9, 1989, at 8:30 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Paul Verdon and Sue Pennington

Announcements/Discussion: None

DISPOSITION OF SENATE BILL 18

Motion: Rep. Kilpatrick moved BE CONCURRED IN.

Amendments, Discussion, and Votes: None

Recommendation and Vote: SB 18 BE CONCURRED IN unanimously.

DISPOSITION OF SENATE BILL 351

Motion: Rep. Nelson moved BE CONCURRED IN and moved the amendments.

Amendments, Discussion, and Votes: The amendments insert "-- extension permissible" on page 8, line 17, page 10, line 25, following "may", strike ",", on page 10, line 25, through page 11, line 2 following "~~penalty~~" on line 25, strike remainder of line 25 through "investments" on line 2, insert "abate the penalty", page 11, line 7, following line 6 insert "(4) The department of revenue may grant an extension of time in which to make qualified investments pursuant to subsection (1) upon application by a capital company showing reasonable cause for an extension." and renumber subsequent subsection. The amendments DO PASS unanimously.

Recommendation and Vote: SB 351 BE CONCURRED IN as amended unanimously.

DISPOSITION OF SENATE BILL 303

Motion: Rep. Johnson moved BE CONCURRED IN.

DAILY ROLL CALL

BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

51th LEGISLATIVE SESSION -- 1989

Date 3 9 89

NAME	PRESENT	ABSENT	EXCUSED
PAVLOVICH, BOB	✓		
DeMARS, GENE	✓		
BACHINI, BOB	✓		
BLOTKAMP, ROB	✓		
HANSEN, STELLA JEAN	✓		
JOHNSON, JOHN	✓		
KILPATRICK, TOM	✓		
MCCORMICK, LLOYD "MAC"	✓		
STEPPLER, DON	✓late		
GLASER, BILL	✓		
KELLER, VERNON	✓		
NELSON, THOMAS	✓		
SIMON, BRUCE	✓		
SMITH, CLYDE	✓		
THOMAS, FRED	✓		
WALLIN, NORM	✓		
PAUL VERDON	✓		

ROLL CALL VOTE

BUSINESS AND ECONOMIC DEVELOPMENT

COMMITTEE

DATE 3/9/89 BILL NO. SB 351 NUMBER

NAME	AYE	NAY
Bob Pavlovich		
Bob Bachini		
Rob Blotkamp		
Gene DeMars		
Bill Glaser		
Stella Hansen		
John Johnson		
Vernon Keller		
Tom Kilpatrick		
Lloyd McCormick		
Thomas Nelson		
Bruce Simon		
Clyde Smith		
Don Steppler		
Fred Thomas		
Norm Wallin		

TALLY

15

Sue Pennington
Secretary

Bob Pavlovich
Chairman

MOTION: Rep Nelson moved be concurred &
moved the amendment

Rep McCormick will pass

STANDING COMMITTEE REPORT

March 9, 1989

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that Senate Bill 351 (third reading copy - blue) be concurred in as amended.

Signed: Robert Pavlovich, Chairman

[REP. McCORMICK WILL CARRY THIS BILL ON THE HOUSE FLOOR]

And, that such amendments read:

1. Page 8, line 17.

Following: "penalty"

Insert: "-- extension permissible"

2. Page 10, line 25.

Following: "may"

Strike: "I"

3. Page 10, line 25, through page 11, line 2.

Following: "~~penalty~~" on line 25

Strike: remainder of line 25 through "investments" on line 2

Insert: "abate the penalty"

4. Page 11, line 7.

Following: line 6

Insert: "(4) The department of revenue may grant an extension of time in which to make qualified investments pursuant to subsection (1) upon application by a capital company showing reasonable cause for an extension."

Renumber: subsequent subsection

Amendments to Senate Bill No. 351
Third Reading Copy

For the Committee on Business and Economic Development

Prepared by Paul Verdon
March 9, 1989

1. Page 8, line 17.

Following: "penalty"

Insert: "-- extension permissible"

2. Page 10, line 25.

Following: "may"

Strike: ", "

3. Page 10, line 25, through page 11, line 2.

Following: "~~penalty~~" on line 25

Strike: remainder of line 25 through "investments" on line 2

Insert: "abate the penalty"

4. Page 11, line 7.

Following: line 6

Insert: "(4) The department of revenue may grant an extension of
time in which to make qualified investments pursuant to
subsection (1) upon application by a capital company showing
reasonable cause for an extension."

Renumber: subsequent subsection